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Records Mgmt 9-3
Letters - Standards - Records Keeping

COST OF FILING WORK

Filed 5/28/59

1. In computing the cost of filing, consideration must be given to the rental value of the space occupied by the files, the depreciation of the filing equipment, the cost of the supplies used, and the interest on the investment.

2. One manufacturer of filing equipment computes these costs on the following basis: for each file clerk, there are fifteen four-drawer file units; for each ten file clerks, there is a file supervisor. Assuming that the file clerk is paid $1,800 a year and a supervisor $2,400, the annual cost of maintaining each four-drawer file unit would be:

File clerk's wages	$120.00
Supervising cost	16.00
Floor space, 5½ square feet @ $2.50	13.75
Supplies, $4.75 per drawer	19.00
File cabinet cost amortized over a period of ten years	7.10
	$175.85
Transfer equipment, annually	17.00
Total cost	$192.85

3. Another firm discusses the cost of filing in this way. It costs a business firm about $3,000 to create paper records in a four-drawer letter file. The maintenance and operation cost of such a file is about $150 a year. Seventy per cent of this sum, or $105, is personnel cost. Proper supervision alone can study, control, and reduce this cost.

4. Another method shows that the cost of filing should not exceed $15 for each thousand papers handled. If the cost is more than this, a check-up should be made.

5. A fifth way in which to indicate the cost of some phase of the filing and record management is to show how much is saved whenever the contents of a four-drawer file cabinet are transferred to transfer cases which are stored on steel racks which extend to the ceiling in the storage place. One steel rack occupying 17.5 square feet of space holds the contents of 10 four-drawer file cabinets and cost $35.

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1 file cabinet at $71.00, amortized 10 years	$ 7.10	1/10 steel rack at $35.00, amortized 10 years.....	$ .35
5½ square feet space @ $2.50	13.75	6 cardboard cartons @ $.15, amortized 10 years	.09
Overhead and maintenance, 5½ square feet @ $1.50..	8.25	1/10 of 17.5 square feet @ $.50 square foot	.88
		Overhead and maintenance, 17.5 square feet @ $.50 X 1/10	.88
Total	$29.10	Total	$ 2.20

Annual savings whenever file cabinet contents are transferred:
$29.10 - $2.20 = $26.90

Reference for 1 - 5 above - Office Management Principles and Practices
Third Edition - South-Western Publishing Co., Cinncinatti, Ohio, 1953
John J. W. Neuner, Ph.D., CPA
Benjamin R. Hayes, Ph.D.,

6. File Reference
   a. 60 per hour - alphabetic by name.
   b. 40 per hour - alphabetic by subject.
   c. 40 per hour - numeric

7. Sorting

   a. alphabetically - 200 per hour.
   b. numerically - 250 per hour (2-7 digets)

8. Filing

   a. Cards - alphabetic 200 per hour.
   b. Cards - numeric 200 per hour.

9. Writing charge-out cards - 80 per hour

10. Misfiles cost $61.23 each.

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